

ORDER NO. 1454

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Nanci E. Langley, Vice Chairman;
Mark Acton;
Tony Hammond; and
Robert G. Taub

Competitive Product Prices
International Business Reply Service
Competitive Contract 3 (MC2011-21)
Negotiated Service Agreement

Docket No. CP2012-54

NOTICE AND ORDER ON
NEW INTERNATIONAL BUSINESS REPLY SERVICE
COMPETITIVE CONTRACT 3 NEGOTIATED SERVICE AGREEMENT

(Issued August 30, 2012)

I. INTRODUCTION

The Commission hereby informs the public that the Postal Service has filed a notice stating that it (1) has entered into a new contract and (2) asks the Commission to include the new contract within the International Business Reply Service (IBRS) Competitive Contract 3 grouping.¹ The Postal Service's Notice was filed pursuant to 39 CFR 3015.5.

¹ Notice of the United States Postal Service Filing of a Functionally Equivalent International Business Reply Service Competitive Contract 3 Negotiated Settlement Agreement, August 29, 2012 (Notice).

II. POSTAL SERVICE NOTICE

Scope of Notice. The Notice provides a general description of the IBRS product and reviews its regulatory history.² Notice at 1-3. The new agreement is a successor to an existing contract with the same Canadian customer. *Id.* at 3; see Docket No. CP2011-70. It also identifies several differences between the new contract and the IBRS 3 baseline contract, but maintains the differences are minor and do not affect the fundamental service the Postal Service is offering or the fundamental structure of the contract.³ *Id.* at 5-6.

Key dates. The Postal Service states that the existing contract expires September 14, 2012, and that it intends the new contract to take effect 1 day later, on September 15, 2012, for a period of 1 year, unless terminated earlier. *Id.* at 3.

Documentation. Attachments to the Notice provide redacted versions of the new contract; a certification addressing the consistency of costs and prices with applicable statutory criteria; and the original Governors' Decision No. 08-24 addressing IBRS contracts and related material. *Id.* Attachments 1 through 3, respectively. Attachment 4 is an application for non-public treatment of unredacted versions of the material in Attachments 1 through 3.

Postal Service representations. The Postal Service asserts that the instant contract is in compliance with 39 U.S.C. 3633; is functionally equivalent to other IBRS agreements; and fits within the Mail Classification Schedule language for IBRS contracts. Notice at 5-6. Accordingly, it asserts that the contract should be included within IBRS Competitive Contracts 3 (MC2011-21). *Id.* at 6.

² The Postal Service states that IBRS competitive contracts are for customers that sell lightweight articles to foreign consumers and want to offer those consumers a method of returning the articles to the United States for recycling, refurbishment, repair, or value-added processing. Notice at 5.

³ The IBRS 3 baseline contract was approved in Docket Nos. MC2011-21 and CP2011-59.

III. COMMISSION ACTION

The Commission establishes Docket No. CP2012-54 for consideration of matters raised in the instant Notice. James F. Callow is appointed to serve as an officer of the Commission (Public Representative).

Interested persons may submit comments on whether the Postal Service's filings in the captioned dockets are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642, 39 CFR 3015.5, and 39 CFR part 3020, subpart B. Comments are due no later than August 21, 2012. The public portions of these filings can be accessed via the Commission's website (<http://www.prc.gov>).

IV. ORDERING PARAGRAPHS

It is ordered:

1. The Commission establishes Docket No. CP2012-54 for consideration of the matters raised in the Notice of the United States Postal Service Filing of a Functionally Equivalent International Business Reply Service Competitive Contract 3 Negotiated Settlement Agreement, filed August 29, 2012.
2. Pursuant to 39 U.S.C. 505, the Commission appoints James F. Callow to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.
3. Comments are due no later than September 7, 2012.

4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Shoshana M. Grove
Secretary